

Message Text

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PAGE 01 STATE 039714

16

ORIGIN EA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 L-02 PA-01 PRS-01 USIA-06 /057 R

DRAFTED BY EA/IMS:ARDORNHEIM:CCH

APPROVED BY EA/IMS:EDWARD C. INGRAHAM

----- 008107

R 212106Z FEB 75

FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA

LIMITED OFFICIAL USE STATE 039714

E.O. 11652: N/A

TAGS: EFIN, ID

SUBJECT: FOREIGN INVESTMENT

REFS: A) JAKARTA 13702 (1974) B) STATE 247172 (1974)

1. GOI MINISTRY OF INFORMATION'S BUSINESS NEWS FOR NOVEMBER 6, 1974 PUBLISHES GIST OF BKPM CIRCULAR OF OCTOBER 11 WHICH GIVES NEW RULES FOR ACHIEVING INDONESIANIZATION OF FOREIGN JOINT VENTURES. ARTICLE INDICATES THAT SOME "JOINT VENTURES" LEGALIZED BY GOI MINISTRY OF JUSTICE DURING FIRST YEARS AFTER 1967 LAW ON FOREIGN INVESTMENT MAY NOW HAVE ONLY THREE OR FOUR YEARS IN WHICH TO ACHIEVE 51 PERCENT PRIBUMI OWNERSHIP.

2. DOES THIS OCTOBER 11 CIRCULAR POSE PARTICULARLY DIFFICULT PROBLEMS FOR U.S. FIRMS AFFECTED? ARE WHOLLY OWNED U.S. SUBSIDIARIES LEGALIZED PRIOR TO SEPTEMBER 21, 1974 (E.G. GOODYEAR TIRE CO.) BEING OBLIGED TO INDONESIANIZE, OR DOES THIS REQUIREMENT JUST APPLY TO "JOINT VENTURES"?

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3. WE DO NOT KNOWINGLY HAVE AIRGRAM PROMISED REF A. WAS
ONE SENT? KISSINGER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, JOINT VENTURES, INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 21 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: ARDORNHEIM:CCH
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1975/newtext/t19750222/aaaaatth.tel
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Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EA
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Reference: 75 JAKARTA 13702, 75 (197STATE, 75 247172, 75 (197
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
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Review Exemptions: n/a
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Margaret P. Grafeld
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05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
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TAGS: EFIN, ID
To: JAKARTA
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